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UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEVADA

In re

CASH CLOUD, INC.,
dba COIN CLOUD,

Debtor.

Case No. BK-23-10423-mkn

Chapter 11

**DECLARATION OF AUSTIN HALLER IN
SUPPORT OF *EMERGENCY* MOTION
FOR ORDER AUTHORIZING DEBTOR'S
ENTRY INTO SERVICES AGREEMENT**

Hearing Date: OST PENDING

Hearing Time: OST PENDING

I, Austin Haller, declare as follows:

1. I am the CEO of Powercoin, LLC ("Powercoin"), an affiliate of Heller Capital Group, LLC ("Heller Capital"), purchaser of substantially of the Debtor's DCMs at auction.

2. Except as otherwise indicated herein, this Declaration is based upon my personal knowledge. I am over the age of 18 and am mentally competent. If called upon to testify, I would testify competently to the facts set forth in this Declaration.

3. I make this Declaration in support of Debtor's *Emergency Motion for Order Authorizing Debtor's Entry Into Services Agreement* (the "Emergency Motion").¹

4. On July 21, Heller Capital assigned all rights, interests, and obligations under the Heller APA to Powercoin.

5. Powercoin operates in the same industry as the Debtor and contracts with its own cash collection providers. In the ordinary course of Powercoin's business, and in its inventory and servicing efforts of the Purchased DCMs, Powercoin, or its service providers, have the ability to access the cash boxes of the Purchased DCMs and retrieve and return the Remaining Cash to the Debtor pursuant to the Services Agreement.

6. Additionally, and as described in the Services Agreement, Powercoin will use its best efforts to collect the Remaining Cash for a service fee of eight percent (8%) of all collections.

7. The following is a summary of the central terms of the Services Agreement:²

- a. **Effective Date and Term.** The Effective Date, subject to Court approval, shall be July 21, 2023. The term of the Services Agreement shall commence on the Effective Date and continue until the four (4) month anniversary of the Effective Date, unless sooner terminated or extended by the parties.
- b. **Services Provided.** Powercoin shall use commercially reasonable efforts to recover and collect from the Purchased DCMs seventy percent (70.00%) of the amount of cash estimated be held in such Purchased DCMs as of the Effective Date (as identified on Debtor's records provided to Powercoin) on or before ninety (90) days from the Effective Date; and shall use commercially reasonable efforts to recover and collect from the Purchased DCMs the remaining balance of such cash estimated to be held in such Purchased DCMs on or before One Hundred and Twenty (120) days from the Effective Date. All cash recovered by Powercoin to Schedule A of the Services Agreement shall be delivered via wire transfer to an account(s) designated in writing by the Debtor, *less* the Fee (defined below).
- c. **The Fee.** As set forth in Schedule B to the Services Agreement, Powercoin shall be entitled to retain eight percent (8.00%) of all cash recovered/collected from all DCMs. In addition, if the cash recovered/collected from a single DCM

¹ Capitalized terms not defined herein shall have the meanings ascribed to them in the Emergency Motion.

² The following summary is qualified in its entirety by the actual terms of the Services Agreement. To the extent that there is any inconsistency between the terms of this summary and the Services Agreement, the terms of Services Agreement shall control.

totals \$100.00 or less, then Powercoin shall be entitled to retain all of such amount and such amount shall be excluded from any payment to Debtor contemplated in Schedule A to the Services Agreement. All amounts entitled to be retained by Powercoin are referred to, collectively, as the “Fee.”

d. **Additional Obligations of Powercoin.** In respect of the recovery and collection of cash from the Purchased DCMs, Powercoin shall:

- i. Maintain an accurate log of the physical location of all Purchased DCMs, including their present location and all prior locations (dating back to the date hereof), and deliver such log to Debtor within forty-eight (48) business hours of notice of Debtor’s request; *provided that*, requests may not be made more than once every 2 weeks;
- ii. Ensure that each person recovering and collecting cash from any Purchased DCMs are equipped with a fully-operational body camera at all times such person is recovering and/or collecting cash from any Purchased DCM and that such body camera is on, functioning properly, and is recording the recovery and collection of cash at such times. If for any reason the body camera equipment becomes less than fully functional, Powercoin will halt the cash collection process and use commercially reasonable efforts to remedy or seek approval written to use an alternative, but equally effective process for collecting the cash;
- iii. Ensure that all cash recovered and/or collected from any Purchased DCMs is deposited in a single FDIC-insured bank account maintained and held exclusively by Powercoin, Buyer, Heller, or an affiliate of one of such parties (the “**Recovery Bank Account**”) within twenty-four (24) hours of such recovery/collection;
- iv. Make all wires of cash owed to Debtor pursuant to Section 1 of Schedule A to the Services Agreement no later than forty-eight (48) hours after such cash is deposited into the Powercoin Bank Account;
- v. Maintain a complete and accurate written accounting of all cash recovered and/or collected from all DCMs and submit to Debtor such accounting on a weekly basis; and
- vi. Make the Debtor aware of any unforeseen problems that arise inhibiting its ability to follow the required cash collection process described in this Agreement and seek written approval to proceed with alternative, but equally effective and satisfactory process.

e. **Additional Obligations of the Debtor.** In respect of the recovery and collection of cash from Purchased DCMs, Debtor shall use the maximum extent of its legal authority to aid Powercoin in the effort to recover all purchased DCMs located at rejected host agreement locations. Debtor acknowledges that Powercoin is not capable of collecting cash from DCM’s that are not made accessible to Powercoin by the Debtor’s Hosts. Further,

Debtor hereby acknowledges and agrees that it is Debtor's sole responsibility to provide Powercoin with free and clear access to the Purchased DCMs.

f. **Confidentiality.** Neither party shall, in any fashion, form, or manner, either directly or indirectly, disclose to any other person or entity the name, address or any other information concerning any client or customer of the other party, or divulge any confidential or proprietary information concerning the business or methods of the other party; *provided*, however, that the foregoing obligation of confidentiality shall not apply to any information that (i) was in the public domain at the time of the applicable party's receipt of such information, (ii) entered the public domain through no fault of the applicable party subsequent to the time of its receipt of such information, (iii) was disclosed to the applicable party by a third party under no obligation of confidentiality, (iv) the parties agree in writing may be disclosed, or (v) is required to be disclosed by law or pursuant to service of process.

g. **Termination.** The Services Agreement may be terminated by mutual written agreement of the parties, or by the Debtor in the event that Powercoin is in material breach of its obligations under the Services Agreement and such breach remains uncured thirty (30) days after delivery of written notice of such breach. Upon any termination of the Services Agreement, the Debtor and Powercoin shall each promptly pay to the other party all outstanding, unpaid amounts through the date of such termination, and any other outstanding payments or reimbursements due to Powercoin or the Debtor hereunder, respectively. The termination of the Services Agreement shall not extinguish any payment obligations that either party has to the other.

I declare, under penalty of perjury of the laws of the United States of America, that the foregoing statements are true and correct to the best of my knowledge, information and belief.

Executed this 13th day of September 2023.

/s/Austin Haller

Austin Haller